

# HSBC/CNE

## YourMoneyCounts™

ADULT FINANCIAL LITERACY PROGRAM

### MID-YEAR EVALUATION REPORT FINDINGS AND ANALYSIS

- DEMOGRAPHIC AND PARTICIPANT PROFILE
  - PRE & POST-TEST MEAN ANALYSIS

JANUARY 1 – MAY 31, 2008

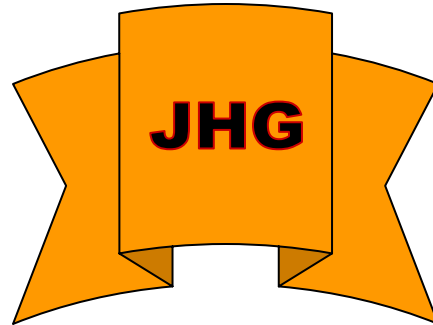


YourMoneyCounts™



YMC Comprehensive Project Evaluation Services  
Conducted by

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## Your Money Counts Program Summary

- HSBC's Your Money Counts Adult Education Programs consists of the Your Money Counts Adult Financial Literacy (YMC AFL) Workshops Program and an online learning and consumer resource center complete with toolkits, calculators, publications, facts, quizzes, and other financial information. All workshops, information, and resources are free to the public.
- HSBC's Your Money Counts Adult Education Programs are helping communities by educating consumers about financial matters.
- The YMC AFL Workshops Program began in 2004 and have reached over 15,000 people nationwide. Consumers have been trained and equipped with the financial education and tools needed to evaluate their financial situations and develop financial plans that enable them to define and reach their financial goals over time.
- In 2008, the Your Money Counts AFL Workshops are offered within 16 designated states throughout the continental U.S.
- The programs are structured, 1/2-day training programs that offer consumers the opportunity to engage in financial education training within their own community. The workshops are hosted by faith and community-based service providers that belong to a network of CNE\* partnering site affiliates.

\*Center for Neighborhood Enterprise (CNE), Washington, DC. Page 5.

## Your Money Counts Program Summary

- The YMC AFL Workshops provide consumers with fundamental training on 6 of 14 financial topics critical to goal setting, financial planning, asset development, and wealth creation. The six core areas of focus for the YMC AFL Workshops are marked below using an asterisk. Participants receive training on the 6 core areas and are then encouraged to continue their study of financial education independently by reading and applying the information provided on the remaining 8 topics.
- Booklets on each of the 14 topic areas are part of the financial education packages that consumers receive during their AFL workshop trainings. Those 14 financial topics include:
  - Banking\*
  - Credit History\*
  - Financial Planning
  - Homeownership\*
  - Identity Theft\*
  - Insurance
  - Investing
  - Managing Your Money \*
  - Retirement Planning
  - Using Credit\*
  - Buying a Car (new)
  - Small Business Ownership (new)
  - Your Future Counts™ (new for younger audiences age middle school to college)
  - Taxes/Tax Credits (new)

## Your Money Counts Administrative Process Summary

- The Center for Neighborhood Enterprise (CNE) serves as program manager and administrator for the Your Money Counts AFL Workshops Program. CNE manages all aspects of the program including selecting the community-based service providers (sites); providing their orientation and training; coordinating the workshops; engaging sites in teleconference meetings; evaluating the program, and serving as liaison for the strategic state network. Program analysis and problem solving are conducted on a continuous and routine basis to ensure optimal program outcomes.
- Prior to participating in the programs, CNE provides each site with an orientation on how to administer, market, recruit, and execute the programs at the local level. The orientation is followed by a leaders' training where sites learn the curriculums and do "teach back" style presentations prior to facilitating to community groups. Leaders' training is a prerequisite to joining the national network of site affiliates and has been offered since 2004 using the following training venues:
  - A national training-of-trainers (TOT) conference
  - Individualized onsite train-the-trainers
  - The YMC Education Portal at [www.YourMoneyCounts.com](http://www.YourMoneyCounts.com)
- In addition to leaders' training, CNE engages sites in weekly teleconference meetings to discuss and exchange marketing outreach approaches; successes and challenges; best practices, and strategies for delivering future workshops.
- Throughout the strategic states network, CNE works with the faith and community-based service providers to create public awareness about the YMC AFL platforms as well as HSBC-brand programs, products, and services.

## Your Money Counts Performance Summary

- Since the start of the 2008 program year, HSBC's YMC AFL Workshop Programs have had the following impact on communities across the country:
  - 29 community-based service providers within a 16-state network hosted and delivered the workshops to residents within their community on behalf of HSBC/CNE.
  - 87 workshops have been conducted - 81 in English and 6 in Spanish.
  - 2,966 consumers in 14 states received financial education training.
- Consumers engage in the financial education training within their own communities. As part of the financial education trainings, each consumer receives a financial education package that includes:
  - 14 financial education booklets – each focusing on 1 specific area of finance.
  - Toolkits containing notepads, pens, calculators, and savings/retirement projection calculators.
  - A Monthly Budget Planning Tool which houses a monthly calendar and pocket organizer for storing, recording, and organizing incoming bills.
  - Order forms to request additional YMC booklets or a CD-ROM for family, friends, etc.
- As part of the continuing education and follow-up services, consumers are urged to pull their credit reports and get their credit scores. Consumers receive individualized guidance and coaching from service providers on how to read, correct, update, or challenge information on their credit report.
- Consumers are encouraged to develop 10-year financial plans for themselves and/or their families. Each financial plan is unique in that it identifies, outlines, and charts the course needed to establish a more sound financial future.

## Your Money Counts Evaluative Process Summary

- CNE's evaluation component of the Your Money Counts™ Adult Financial Literacy (YMC AFL) Program is designed to understand the financial education needs and attitudes of consumers; gain insight into consumer attitudinal changes about money management, and assess what the next steps are in helping consumers develop or improve their financial management plan.
- The evaluation component utilizes a cross-sectional design; a pretest and posttest comparison, a participant questionnaire, and follow-up telephone interviews to collect information about consumers.
- The cross-sectional design is used to collect data on many variables from large groups who are geographically dispersed, and is meaningful in telling the story about people participating in the program and in showing trends. The pretest and posttest design provides a snapshot of the baseline and comparison data or the “before and after” learning outcomes and results.
- The participant questionnaire is designed to collect demographic and socioeconomic data as well as help to identify:
  - Other areas of finance that consumers would like to learn about;
  - Areas of financial management in which consumers need additional support;
  - How consumers plan to use and apply the financial knowledge gained toward reaching their financial goals; and,
  - Participant views and feedback about the effectiveness of the Your Money Counts AFL Workshop Programs.
  - Potential market implications for HSBC to follow up on.

## Your Money Counts Evaluative Process Summary

- The telephone interviews are conducted 30 to 90 days after the participants have completed their financial education training. The goal is to identify trends that may exist among consumers who participated in the YMC AFL Workshops Program as well as garner additional information about the attitudinal changes toward money management to include:
  - How much of the financial education is still being applied to daily money management?
  - In what ways have consumers integrated the learning into their lifestyles?
  - What financial products and services have consumers applied for or used since the training? Did consumers apply the techniques learned to get the best rates on those products or services?
  - Have consumers pulled their credit reports and purchased credit scores as a result of the training?
  - In what ways did the training help consumers develop or strengthen their financial plans?
- 35 calls have been made to date; 25 to English speaking consumers and 10 to Spanish speaking consumers.

2008 Strategic States Overview  
(as of May 31)

Strategic State	People Reached	Percent of Total	Number of Financial Education Units*
Arizona	66	2.2	66
California	285	9.6	285
Delaware	105	3.5	105
District of Columbia	101	3.4	101
Florida	423	14.2	423
Georgia	312	10.5	312
Illinois	147	5.0	147
Maryland	0	0	0
Nevada	0	0	0
New Jersey	87	2.9	87
New York	264	8.9	264
North Carolina	231	7.8	231
Ohio	393	13.2	393
Oregon	123	4.1	123
Texas	335	11.3	335
Virginia	100	3.4	100
Valid	2972	100%	2972
Missing	6		6
Total		2966	2966

\*Defined – the total number of financial education units received by participant group overall.

Affiliate Site Overview (as of May 31, 2008)	Location	Workshops Conducted
Austin Childcare Providers Network	Chicago, IL	5
Boys and Girls Club of Truckee Meadows/Reno WNS	Reno, NV	0
Camden Neighborhood Renaissance	Camden, NJ	3
Catholic Charities/EL Programma Hispano	Gresham, OR	3
Central Florida CDC	DeLand, FL	1
Community Financing Consortium	Tampa, FL	1
EL Paso Collaborative	EL Paso, TX	5
Exousia International Christian Center	Virginia Beach, VA	3
Fresh Start/New Pathways	Houston, TX	2
God's Beloved Dove Enterprise	Lancaster, CA	3
Greater New Jerusalem Missionary Baptist Church	Las Vegas, NV	0
Greensboro Housing Coalition	Greensboro, NC	6
He Brought Us Out Ministries, Inc.	Akron, OH	12
Homefront, Inc./Buffalo Weed and Seed	Buffalo, NY	2
Horizon's Intergenerational Wellness Coalition	Houston, TX	3
House of Help City of Hope	Washington, DC	1
Interfaith Community Housing of Delaware	Wilmington, DE	3
Judah International Christian Center, Inc.	Brooklyn, NY	5
Macedonia Baptist Church	Macon, GA	5
Marin Family Action	San Rafael, CA	6
Subtotal		69

Affiliate Site Overview (as of May 31, 2008)	Location	Workshops Conducted
Metropolitan Community Development Corporation	Largo, MD	0
Miracle Christian Center	Hempstead, NY	1
Realized Potential Institute	St. Petersburg, FL	5
RL Dennis Ministries	Baltimore, MD	0
Tampa Bay Area Faith-Based Alliance	Tampa, GA	4
Teen Challenge Arizona	Tucson, AZ	2
Visions Unlimited Cmty Development Systems, Inc.	Atlanta, GA	3
Waycross Operation Weed and Seed	Waycross, GA	1
WinOne Seed c/o Holy Trinity Worship Center, Int'l.	Washington, DC	2
Total		87

# Demographic And Economic Characteristics

To date, the 2008 YMC AFL programs have served nearly 3,000 residents within a 16-state network nationwide. The demographic and economic characteristics tell the story of underserved communities whose residents are among those most in need of financial education in America.

For many consumers, this is the first time they have had the opportunity to learn about financial matters. Many have never seen their credit report, do not know their credit score, and have no plan for reaching their financial goals.

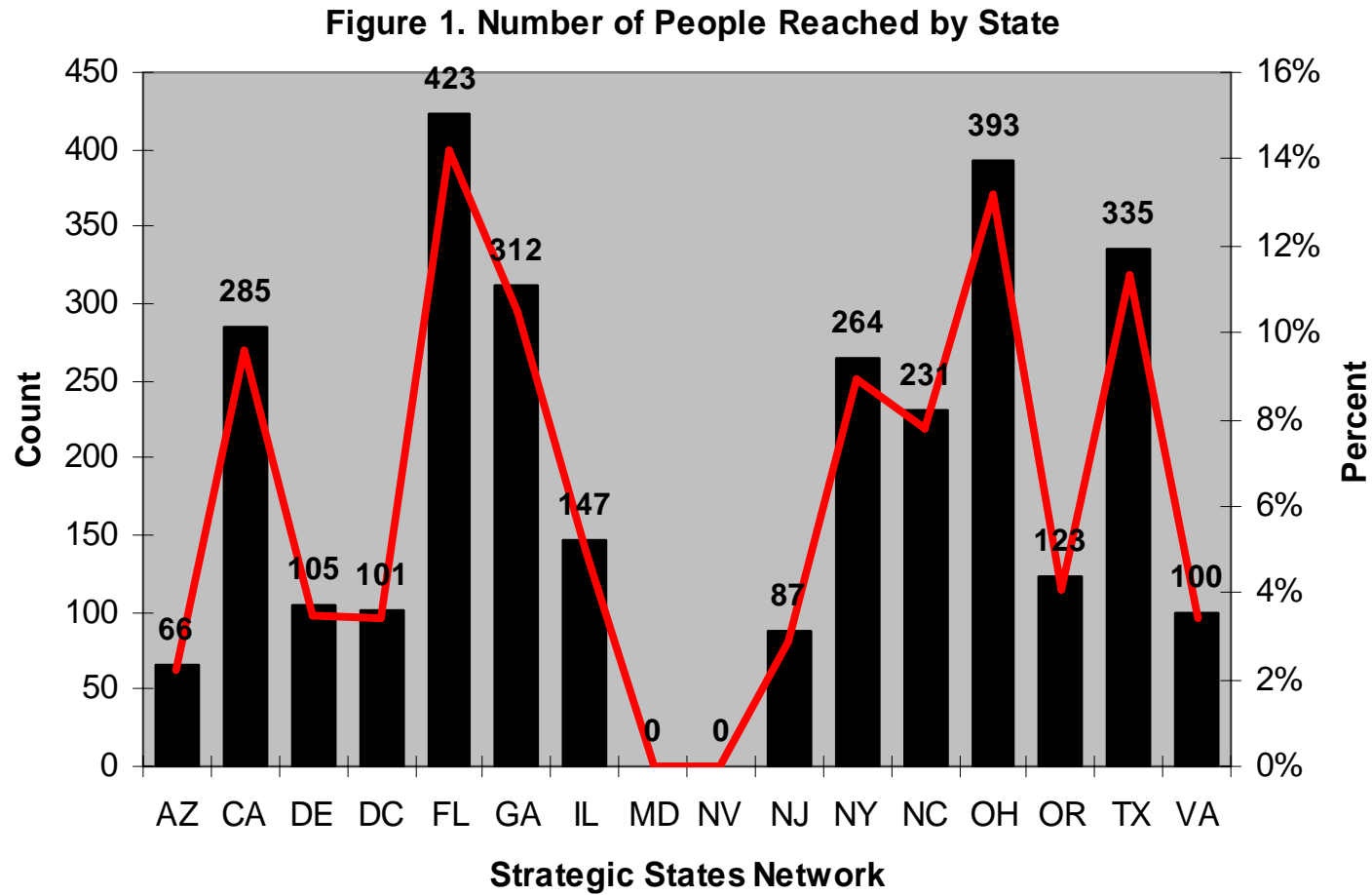
This section contains findings related to the:

- geographic locations reached by the program
- demographic characteristics of those served by the program
- socioeconomic characteristics of the those served by the program
- consumer knowledge of financial matters before and after interventions
- program findings, learning outcomes, and impacts
- marketing implications
- recommendations

Figure 1 on the next page shows the number of people reached by the program to date and the geographic states in which they live.

# Where Did the YMC Participants Live?

N=2966



## Zip Code Regions Reached by the YMC Workshop Programs (Market Implications)

State	Zip Codes Region	Site Affiliates within State
Arizona	850XX, 852XX, 853XX, 855XX, 856XX, 857XX, 863XX, 864XX, 867XX	Teen Challenge of Arizona (Tucson/Phoenix)
California	900XX, 913XX, 933XX, 935XX, 940XX, 941XX, 949XX, 951XX, 952XX, 954XX, 956XX, 992XX	God's Beloved Dove Enterprise (Lancaster) Marin Family Action (San Rafael)
Delaware	190XX, 191XX, 193XX, 197XX, 198XX, 199XX, 216XX	Interfaith Community Housing of Delaware (Wilmington)
District of Columbia	200XX, 206XX, 207XX	WinOne Seed c/o Holy Trinity Worship Center (Washington) House of Help City of Hope (Washington)
Florida	225XX, 320XX, 321XX, 327XX, 334XX, 335XX, 336XX, 337XX	Central Florida CDC (DeLand) Community Financing Consortium, Inc. (West Palm Beach) Realized Potential Institute, Inc. (St. Petersburg) Tampa Bay Area Faith-Based Alliance (Tampa)
Georgia	202XX, 302XX, 303XX, 305XX, 309XX, 310XX, 311XX, 312XX, 315XX, 317XX, 319XX	Macedonia Baptist Church (Macon) Visions Unlimited Cmty Dev. Systems, Inc. (Atlanta) Waycross Operation Weed and Seed (Waycross)
Illinois	604XX, 606XX	Austin Childcare Providers Network (Chicago)
Maryland	XXXXX XXXXX	RL Dennis Ministries (Baltimore) Metropolitan Community Development Corporation (Largo)
Nevada	XXXXX	Boys & Girls Club of Truckee Meadows/Reno Weed and Seed (Reno) Greater New Jerusalem Missionary Baptist Church (Las Vegas)
New Jersey	081XX, 088XX	Camden Neighborhood Renaissance (Camden)
New York	104XX, 110XX, 112XX, 114XX, 115XX, 117XX, 140XX, 142XX	HomeFront, Inc./Buffalo Weed and Seed (Buffalo) Judah International Christian Center, Inc. (Brooklyn) Miracle Christian Center (Hempstead)
<b>Subtotal</b>	<b>62 Zip Code Regions (as of May 31, 2008)</b>	

## Zip Code Regions Reached by the YMC Workshop Programs (Market Implications)

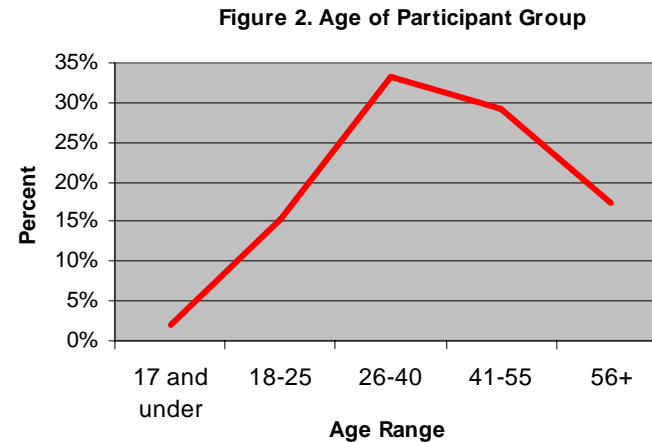
State	Zip Codes Region	Site Affiliates within State
North Carolina	174XX, 271XX, 272XX, 273XX, 274XX, 300XX, 301XX, 302XX	Greensboro Housing Coalition (Greensboro)
Ohio	161XX, 432XX, 439XX, 440XX, 441XX, 442XX, 443XX, 444XX, 445XX, 446XX, 447XX, 449XX, 493XX	He Brought Us Out Ministries, Inc. (Akron)
Oregon	970XX, 972XX	Catholic Charities-EL Programma Hispano (Gresham)
Texas	770XX, 772XX, 773XX, 774XX, 775XX, 779XX, 798XX, 799XX, 880XX	EL Paso Collaborative (EL Paso) Fresh Start / New Pathways (Houston) Horizons Intergenerational Wellness Coalition (Houston)
Virginia	233XX, 234XX, 235XX, 237XX	Exousia International Christian Center (Virginia Beach)
<b>Total</b>	<b>98 Zip Code Regions (as of May 31, 2008)</b>	

# Your Money Counts Demographic Summary

N=2662

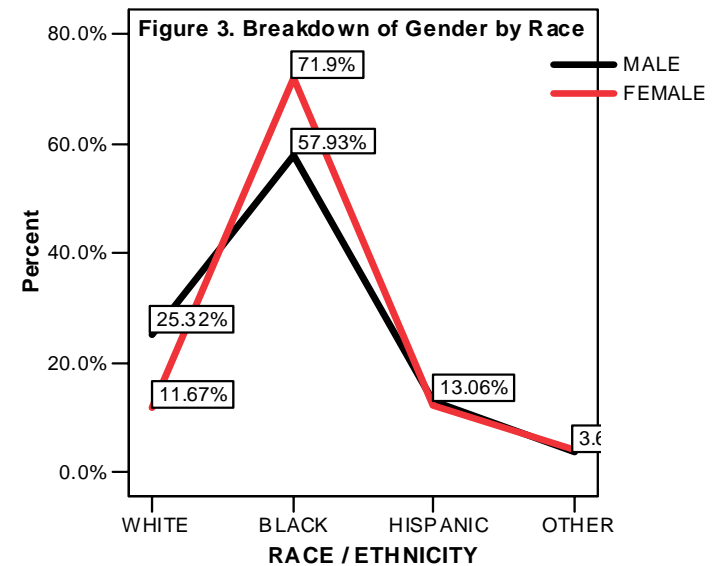
## Age

- Of those seeking financial education training via the YMC AFL Workshop Programs, the largest concentration of consumers were age 26-40; the smallest adult concentration were age 18-25 as shown in Figure 2.
- By age breakdown, the majority of consumers (885) were in the 26-40 age group; 775 were age 41-55; 460 were 56 and above; 406 were age 18-25, and 51 were age 17 and under.



## Race and Gender

- Blacks, to date, comprised 64% of all YMC participants; Hispanics 17%; Whites 14% and "Other" 3%.
- Of consumers participating in the YMC AFL Workshop Programs to date, 35% were male; 61% were female, and 4% did not state their gender.
- Among gender groups, the largest concentration of male participants were Black (58%); White (25%) and Hispanic (13%). Among females, the largest concentration of participants were Black females (72%); Hispanic (13%), and White (12%) as shown in Figure 3.



# Your Money Counts Demographic Summary

## Household Status

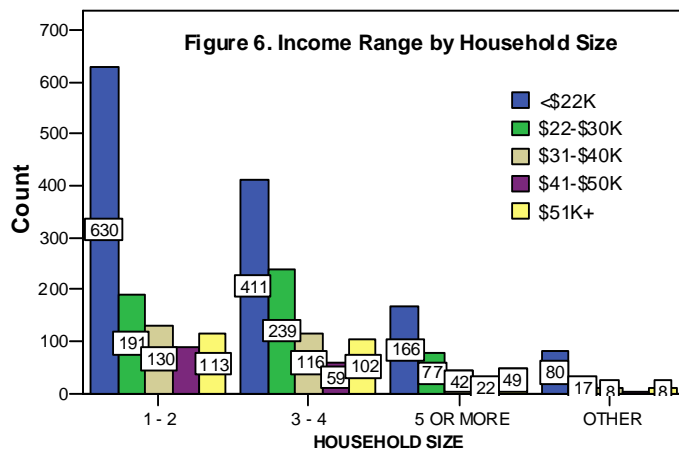
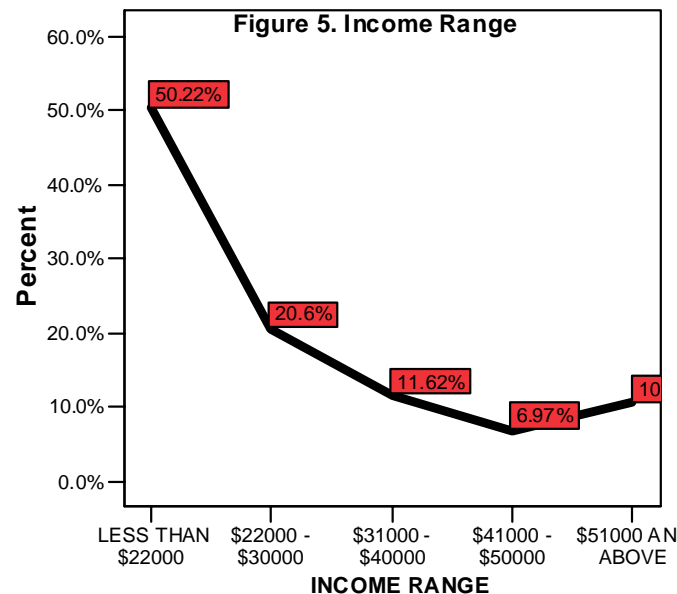
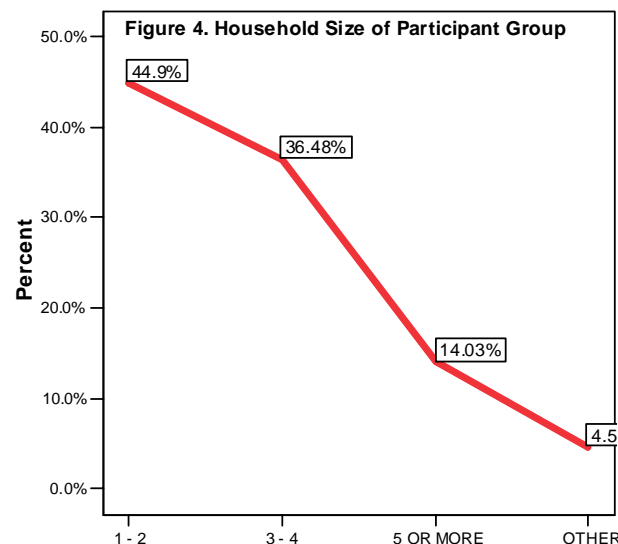
- 1,184 consumers had household sizes of 1 to 2 people; 962 had household sizes of 3-4 people; 370 had household sizes of 5 or more people, and 121 consumers had household sizes that fell within the “other” size category. Figure 4 shows the household size by percent ( $n=2637$ ).

## Income

- Figure 5 shows the income breakdown of consumers participating in the YMC AFL Workshop Program to date ( $n=2684$ ):

- 1,348 had earnings below \$22,000
- 553 earned \$22-\$30,000
- 312 earned \$31-\$40,000
- 187 earned \$41-50,000
- 284 earned \$51,000 and above

- Figure 6 shows consumer earnings by household size.



# Your Money Counts Demographic Summary

- Figure 7 shows the income range of participating consumers by the state in which they live. DC, Georgia, and Delaware had the largest concentration of participants with incomes \$51,000 and above. Arizona, Oregon, and North Carolina had the largest concentration of participants with incomes less than \$22,000.

## Education

- The YMC AFL programs served consumers of various educational levels as shown in Figure 8 by count and described below in percent ( $n=2662$ ):
  - 13.6% had less than high school education;
  - 34.7% had completed high school or the equivalent;
  - 32.2% had some college;
  - 8.9% had a Bachelor's degree, and
  - 7.6 had a graduate or professional degree.

N=2662

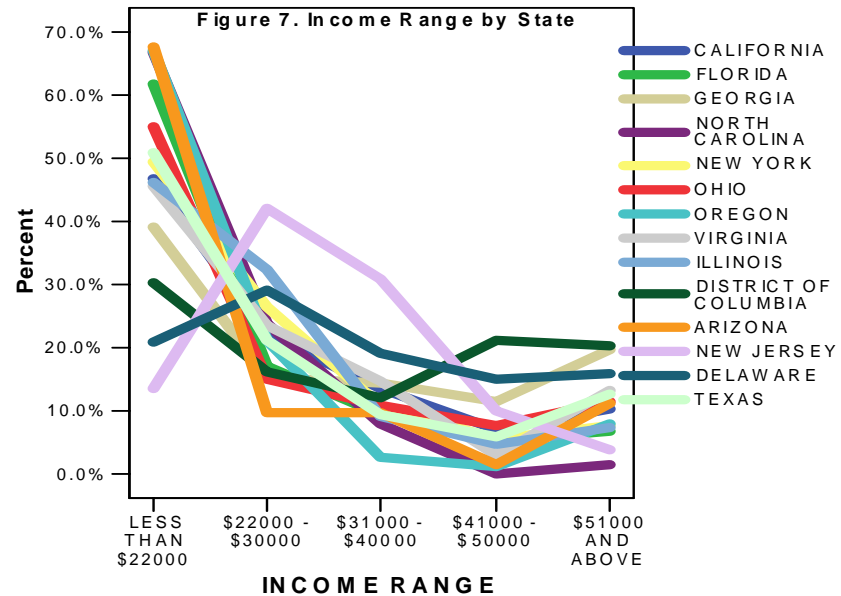
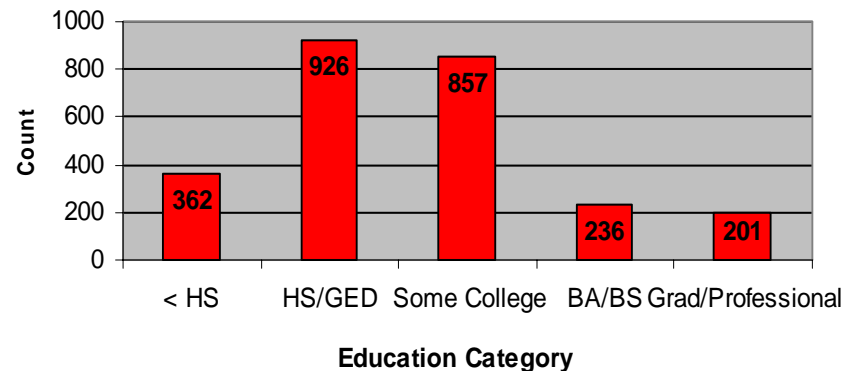


Figure 8. Educational Level



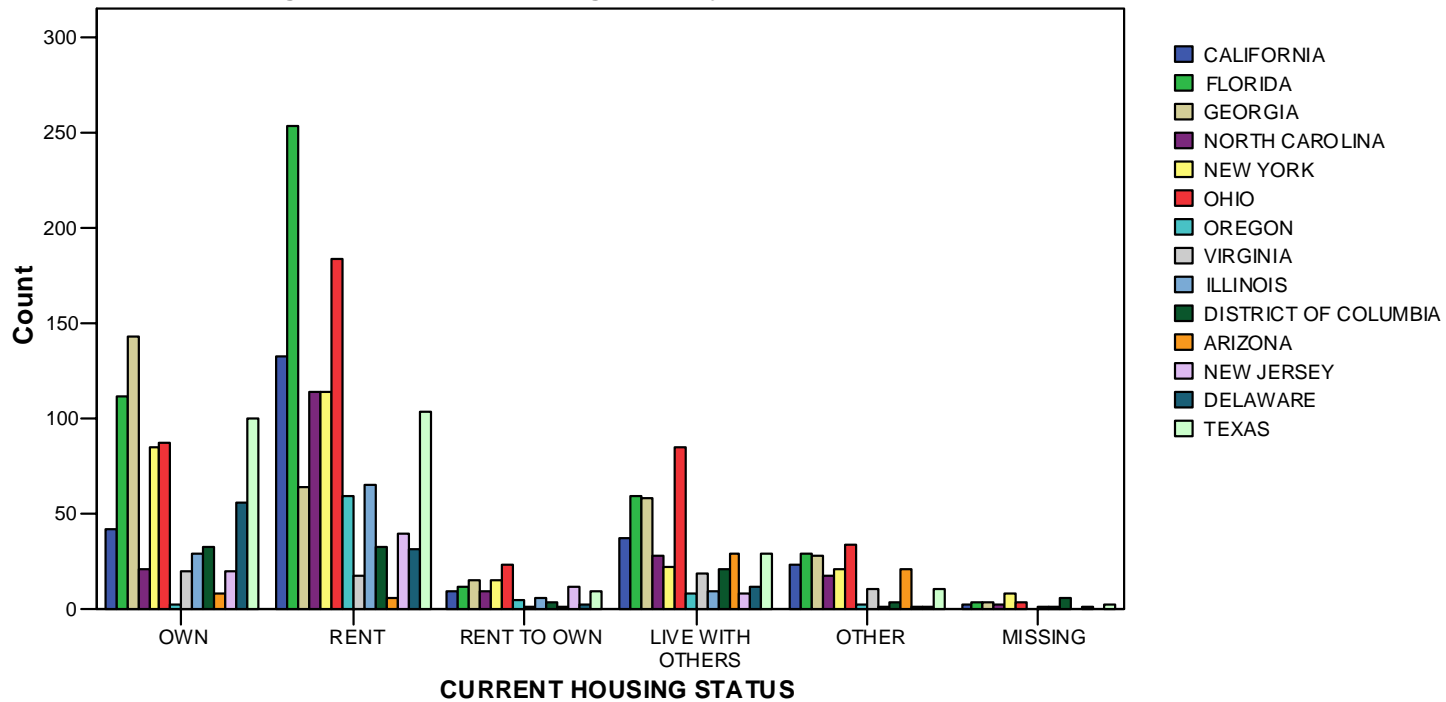
# Your Money Counts Demographic Summary

N=2393

## Housing

- Consumers participating in the YMC AFL programs reported their current housing status as:
  - 670 own their homes
  - 1,037 rent their housing
  - 116 rent to own
  - 360 live with others
  - 172 have “other” housing arrangements
  - 38 did not indicate their housing status

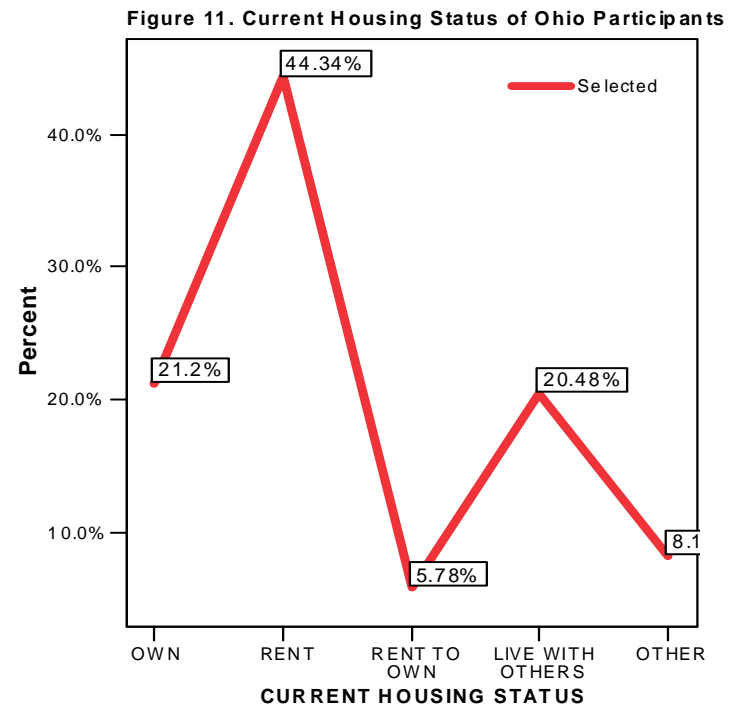
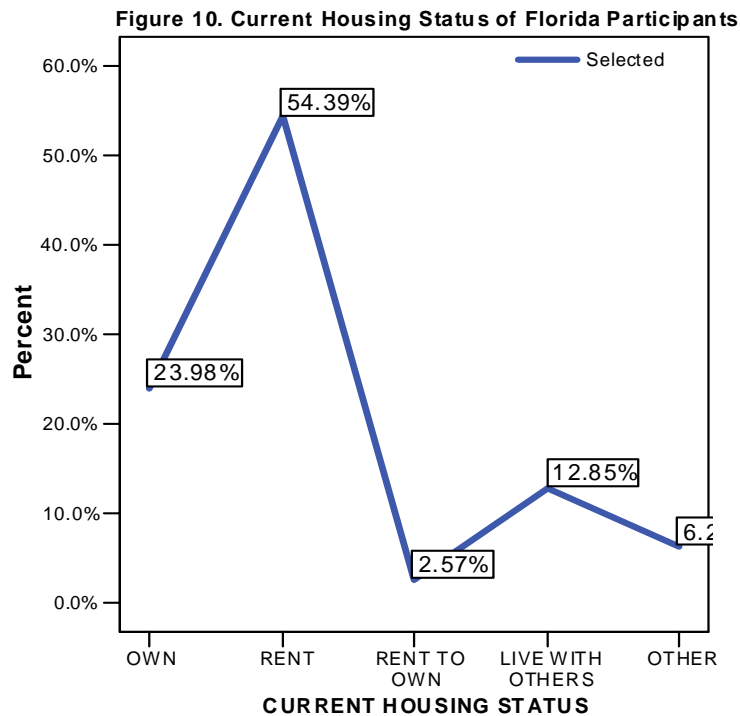
Figure 9. Consumer Housing Status by State of Residence



# Your Money Counts Demographic Summary

N=2393

- The largest concentration of participants who own their homes were in the states of Georgia and Florida.
- Within the states of Florida and Ohio, the majority of consumers participating in the YMC AFL programs rent their housing. Among Florida participants, 2 out of 10 own their homes; 5 out of 10 rent, and nearly 2 out of 10 live with others or have “other” housing arrangements.
- Figures 10 and 11 show a more detailed housing status for consumers within both states.



# Your Money Counts Demographic Summary (Market Implications)

N=2393

- 175 consumers served by the program expressed a desire to refinance their current mortgages. Figure 12 shows the percent within each state with interest in refinancing. New Jersey has the highest rate of persons (24%) with interests in refinancing.
- Figure 13 shows the number within each state interested in home equity lines of credit. DC (14%) and North Carolina (10%) have the highest rate of persons with interest in HELOCs.
- 174 consumers (7.3%) expressed an interest in home improvement loans.
- 513 consumers (21.4%) expressed an interest in “other” loan services related to housing.

Figure 12. Percent within Each State Interested in Refinancing

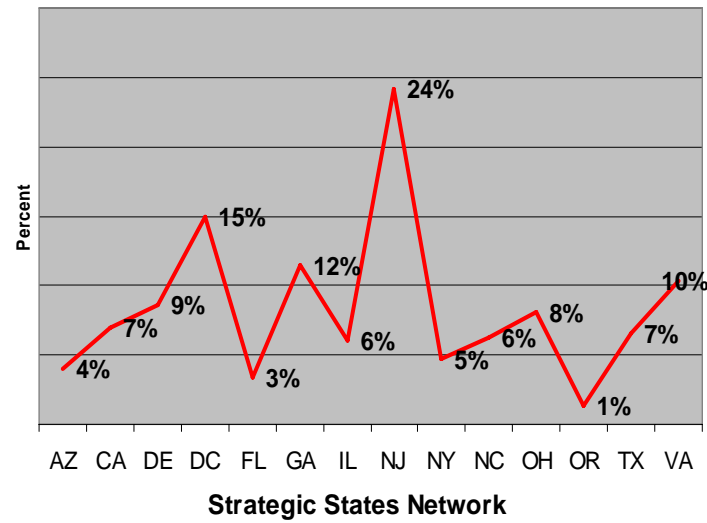
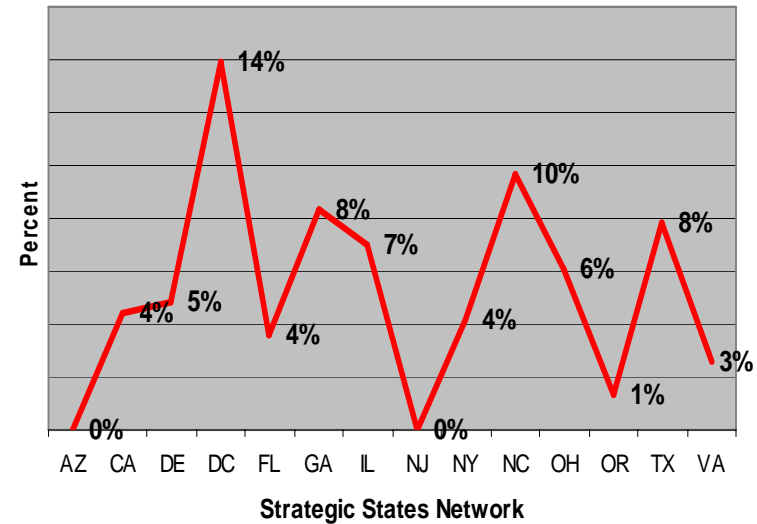


Figure 13. Percent within Each State Interested in Home Equity Credit Line



# Your Money Counts Demographic Summary

N=2393

## Knowledge of Mortgages and Mortgage Loans

- To better understand consumer knowledge of home mortgages as well as identify the component area of homeownership that sites need to further emphasize during the trainings, participants were asked what a “typical” home mortgage consists of and instructed to “mark all applicable choices.” Available choices included principal, interest rate/APR, taxes, insurance, finance charge, and the terms of the loan. Based on the statement, **“a typical home mortgage consists of,”** consumers cited their knowledge of mortgages as:
  - 1,538 (64.3%) said principal
  - 1,607 (67.2%) said interest/APR
  - 1,436 (60%) said taxes
  - 1,297 (54.2%) said insurance
  - 1,176 (49%) said finance charges
  - 1,277 (53.4%) said terms of loan
- Consumers were also asked, **“which type loans do you know most about?”** Responses included:
  - fixed rate mortgage – 48.7% (1,165 consumers)
  - adjustable rate mortgage – 5.6% (134 consumers)
  - hybrid loans – 1.% (24 consumers)
  - interest-only loans – 4.8% (114 consumers)
  - balloon mortgage – 0.6% (14 consumers)
  - none of the above – 32.2% (770 consumers)

# Your Money Counts Demographic Summary

N=2393

## Credit Scores

Consumers were asked to reply to the statement, **“I believe my current credit score is...”** Responses included:

- less than 500: 31.4% of consumers
- 500-599: 23.2% of consumers
- 600-699: 20.6% of consumers
- 700-799: 11.2% of consumers
- 800 or more: 4.9% of consumers

Consumers were asked to respond to the statement: **“I believe the following credit score is good enough for me to get the best rate for buying assets.”** Respondents replied that the following credit score is good enough for them to get the best rates:

- 550 (9.7% of consumers)
- 600 (8.2% of consumers)
- 620 (7.4% of consumers)
- 650 (16.1% of consumers)
- 700 (51.9% of consumers)
- 6.7% did not respond

## Credit Restoration

Consumers were asked what they were willing to do over the next 12 months to strengthen or improve their credit. Responses included:

- 7 out of 10 (69.7%) will get a credit report
- 5 out of 10 (52.6%) will develop a credit repair plan
- 3 out of 10 (39.4%) will pay off high interest loans and credit balances
- 2 out of 10 (24.5%) will set up automatic payments to avoid late fees
- 1 out of 10 (10.7%) will do nothing at this time.

# Your Money Counts Demographic Summary

N=2662

## **YMC Workshops Attended**

Consumers were asked to mark the YMC AFL workshops they attended. Responses included:

- Managing Your Money – 26.1%
- Using Credit – 12.7%
- Credit History – 19.8%
- Identity Theft – 16.9%
- Banking – 9.7%
- Homeownership – 14.8%

## **Other Financial Topics of Interest**

Consumers were asked what other financial topics were of interest to them. Given the opportunity to mark multiple responses or “all that apply”, a total of 4,806 responses were recorded for this variable. Responses included:

- retirement planning – 20.3%
- financial planning – 27.3%
- investing – 23.8%
- insurance – 13.2%
- buying a car – 15.4%

## **Referral Services**

Consumers expressed a desire for the following follow-up services if referral services are made available:

- budget and goal setting – 47.3%
- credit repair – 45.2%
- home buying – 33.5%
- business development – 29.0%
- savings and investing – 41.5%
- no other services – 11.4%

# Your Money Counts Demographic Summary

N=2393

## Marketing Outcomes

- Consumers were asked how they heard of the YMC AFL Programs. Responses included:
  - 24.3% said flyer
  - 16.5% said community bulletin
  - 46.9% said word of mouth
  - 32.1% said “other” sources
- 41% of consumers had never experienced any type of financial education training before participating in the YMC AFL Workshops.

## Financial Products and Services

- 26% of consumers participating in the YMC AFL programs currently have HSBC financial products and services.
- 64% of consumers participating in the YMC AFL programs would like to have HSBC financial products and services.

Figure 14. How Consumers Learned of YMC AFL Workshops Program

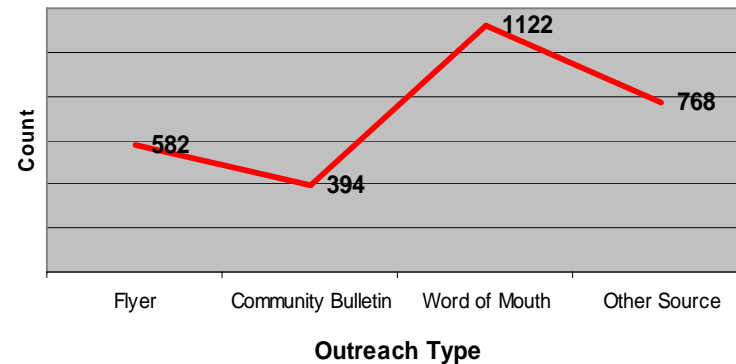
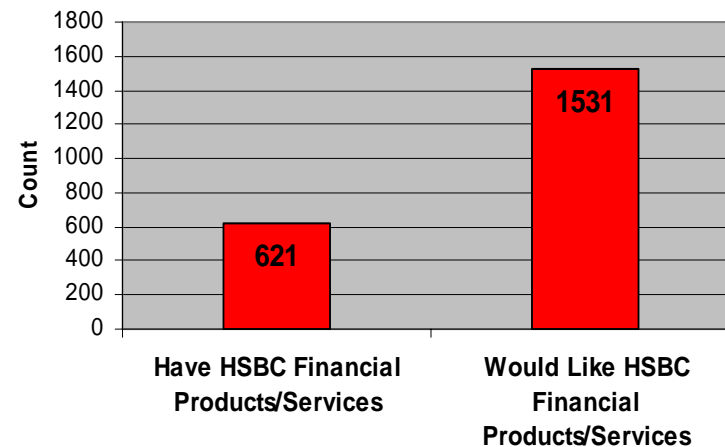


Figure 15. Status of HSBC Financial Products and Services Among Participant Group



# Your Money Counts Demographic Summary

N=2393

## YMC AFL Workshops Program Rating

- Participants were asked to rate several characteristics of the YMC AFL Workshops Program. Respondents made the following statements about the program overall.
  - The length of the workshops was:
    - too short – 5%
    - just right – 86%
    - too long – 5%
  - The amount of detail covered during the workshops was:
    - too short – 4%
    - just right – 88%
    - too long – 3%
  - The information presented was useful, helpful, and relevant to my own financial situation:
    - agree – 90% of consumers
  - The trainers made me feel at ease and comfortable talking about my money management practices; the trainer:
    - had excellent presentation slides – 72%
    - provided useful handouts – 72%
    - demonstrated knowledge of the topic – 73%
    - demonstrated effective presentation skills – 67%
    - communicated in terms consumers could understand – 66%

## Pretest and Posttest Mean Comparisons by Question

## Where Did the Greatest Change in Learning Occur?

As shown in Table 1 (pages 30-32) and in Figure 16 (page 33), the greatest growth in learning is measured by a mean difference or change that is 0.5 points or greater. Among consumers participating in the 2008 YMC AFL Workshops to date, the greatest changes in learning occurred in the following areas:

- **Q22: Homeownership (0.77)** - The general rule is to spend no more than 28% of your income on mortgage, principal, interest, taxes, and insurance (PITI). Before being exposed to financial education on this topic, 59% of consumers agreed that they were aware of this rule. After attending the YMC AFL Homeownership Workshops, 77% of consumers were aware of this rule, an 18% increase (growth) in learning.
- **Q21: Homeownership (0.74)** – Reliable income and debt totaling 36% or less of my income are the two main factors to examine in determining eligibility for an affordable mortgage. Before being exposed to financial education on this topic, 60% of consumers agreed they were aware of this ratio. After being exposed to financial education on this topic, 77% of consumers were aware of this ratio, an increase of 17%.
- **Q7: Credit (0.56)** – Obtain and review a copy of my credit report and credit score in the next 30 days. Before attending the YMC AFL workshops, 72% of consumers agreed they were planning to or likely to get a credit report and score. After attending the workshops, 90% agreed they would get a credit report and score within 30 days, an 18% increase in learning.
- **Q8: Credit/Identity Theft (0.53)** – Get a copy of my credit report to detect if any one else has been trying to use my identity to establish credit. Before the financial education trainings, 74% of consumers agreed they were planning to take this action; after the trainings, 92% agreed they would take this action, an increase of 18% more consumers.

Table 1. Pretest and Post-test Mean Analysis by Question

Question	Pretest Average	Post-Test Average	Mean Difference	% Agree – Before	% Agree – After
Q1 – Make a commitment and set a financial goal of saving more money over the next year.	4.20	4.51	0.31	86%	94%
Q2 – If I have a bank account, begin to pay more attention to the fees I’m charged.	4.05	4.44	0.39	78%	89%
Q3 – If I do not have a bank account, establish a relationship with a bank.	3.74	4.06	0.32	59%	70%
Q4 – Create a budget and spending plan.	4.15	4.50	0.35	84%	93%
Q5 – Track and monitor my spending so that I know where my money is going.	4.23	4.54	0.31	86%	94%
Q6 – Compare my income and expenses to determine my cash flow and net worth.	4.00	4.45	0.45	79%	92%
Q7 – Obtain and review a copy of my credit report/score in the next 30 days.	3.86	4.42	0.56	72%	90%
Q8 – Get a copy of my credit report to detect if any one else has been trying to use my identity to establish credit.	3.96	4.49	0.53	74%	92%
Q9 – Take steps outlined today to improve my credit score, if necessary.	4.11	4.47	0.36	81%	91%
Q10 – Carry with me only the necessary credit or debit cards and leave the others at home.	3.99	4.41	0.42	75%	87%
Pretest ( <i>n</i> =2386) Posttest ( <i>n</i> =2385)					

Table 1. Pretest and Post-test Mean Analysis by Question

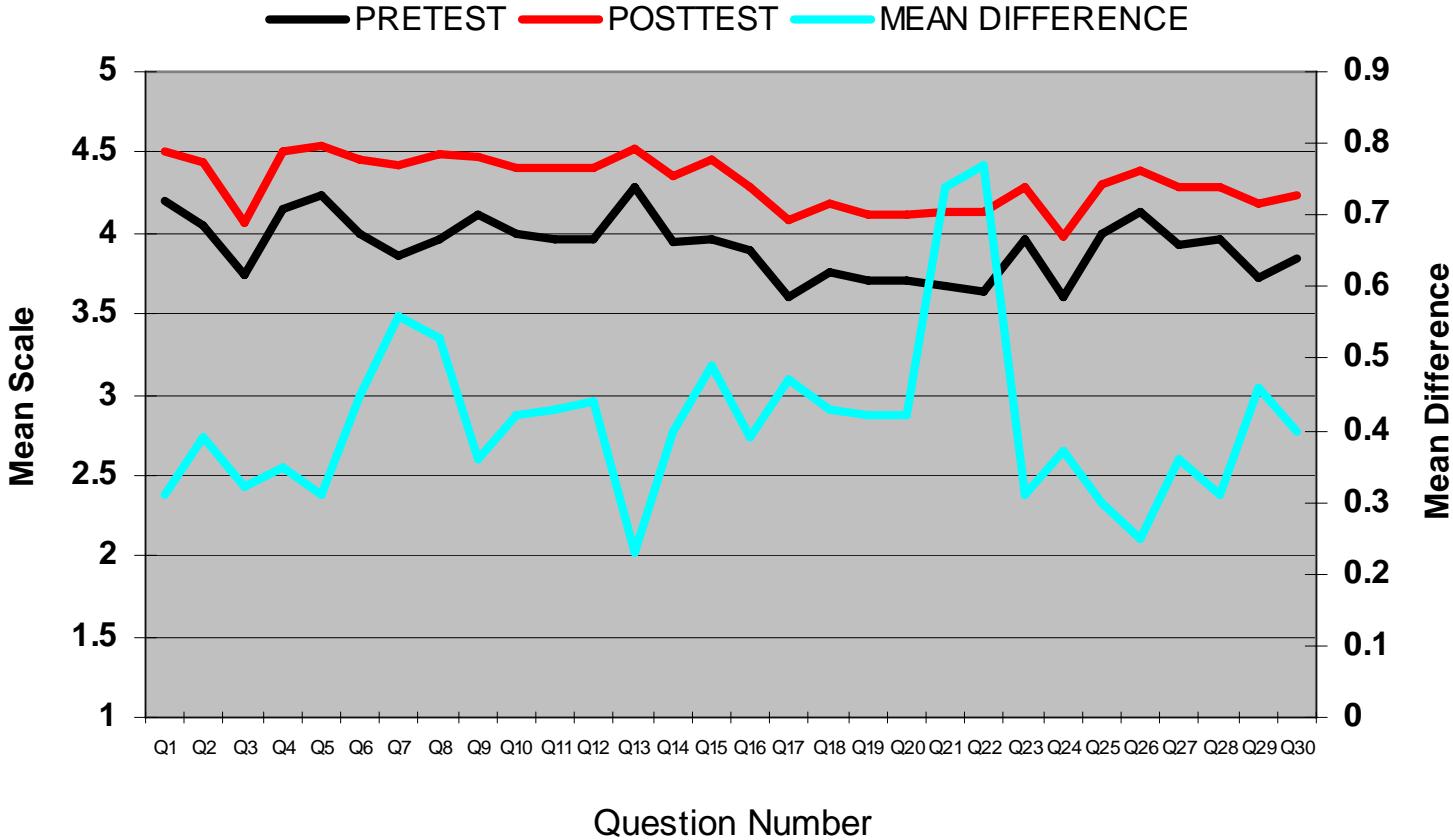
Question	Pretest Average	Post-Test Average	Mean Difference	% Agree – Before	% Agree – After
Q11 – Compare rates on loans before I complete a loan application.	3.97	4.40	0.43	72%	87%
Q12 – Pay more attention to the disclosure statements I receive after I open a new loan or credit card account.	3.96	4.40	0.44	72%	88%
Q13 – Begin to pay all bills on time each month.	4.29	4.52	0.23	86%	32%
Q14 – Begin to pay down credit card balances so that I’m using less than 50% of available credit limits.	3.95	4.35	0.40	69%	84%
Q15 – Evaluate annually my current financial situation to determine my credit worthiness.	3.97	4.46	0.49	76%	92%
Q16 – Open new credit accounts only when absolutely necessary.	3.90	4.29	0.39	73%	85%
Q17 – If buying a home, make a 10% down payment with money I have saved and finance the rest with a mortgage or long term loan.	3.61	4.08	0.47	55%	73%
Q18 – Equity is the difference between what your home is worth and the amount you own on your mortgage loan.	3.75	4.18	0.43	63%	78%
Q19 – People, like myself, spend about 32% of my income on housing and related costs.	3.70	4.12	0.42	64%	78%
Q20 – If buying a home, having saved at least 10% of the purchase amount will improve my chances of qualifying for an affordable mortgage.	3.70	4.12	0.42	61%	74%
Pretest ( <i>n</i> =2386) Posttest ( <i>n</i> =2385)					

Table 1. Pretest and Post-test Mean Analysis by Question

Question	Pretest Average	Post-Test Average	Mean Difference	% Agree – Before	% Agree – After
Q21 – Reliable income and debt totaling 36% or less of my gross income are the two main factors to examine in determining eligibility for an affordable mortgage.	3.67	4.14	0.74	60%	77%
Q22 – The general rule is to spend no more than 28% of your income on mortgage, principal, interest, taxes, and insurance (PITI).	3.64	4.14	0.77	59%	77%
Q23 – Before looking for a home, it is important to get pre-approved for a mortgage loan so that you know exactly how much you have to spend.	3.97	4.28	0.31	73%	81%
Q24 – Pre-qualification guarantees you will be approved for the amount you are likely to be able to spend.	3.61	3.98	0.37	61%	73%
Q25 – Home appraisals and a title search are necessary steps in buying a home.	4.00	4.30	0.30	74%	83%
Q26 – Insurance is necessary whether I own or rent.	4.13	4.38	0.25	81%	86%
Q27 – As a general rule, you should insure your home for at least 80% of its replacement value or what it would cost to rebuild your home if needed.	3.92	4.28	0.36	72%	83%
Q28 – If a homeowner, it is a good idea to have yearly check-ups on the major mechanical and structured areas of your house such as heating, plumbing, and roofing.	3.97	4.28	0.31	73%	82%
Q29 – Experts recommend budgeting 1% of your housing costs for yearly home maintenance.	3.72	4.18	0.46	64%	79%
Q30 – Escrow amounts help pay for items such as property taxes, mortgage insurance premiums, fire and hazard premiums, and other items.	3.84	4.24	0.40	68%	80%
Pretest (n=2386) Posttest (n=2385)					

# Pretest and Posttest Mean Comparison by Question

Figure 16. Mean Comparison and Mean Difference



# Your Money Counts Demographic Summary

N=2393

## Impacts of the 2008 YMC AFL Workshops Program

- 91% of consumers agreed that HSBC's Your Money Counts Adult Financial Literacy Workshops Program is helping communities by educating consumers about financial matters.
- 78% of consumers will visit the online consumer resource center at [www.YourMoneyCounts.com](http://www.YourMoneyCounts.com) as a result of participating in the program.
- 64% are interested in obtaining HSBC brand products and services especially those related to housing.
- 32% of all consumers reached were educated about the various types of mortgage loans for the first time.
- Nearly 20% more consumers plan to save at least 10% for a down payment on a home.
- 18% more consumers know to budget up to 28% of their total income when considering homeownership.
- 18% more consumers know to pull their credit reports and monitor it for identity theft.
- 17% more consumers know the two main factors that lenders consider when determining eligibility for housing loans.
- 16% more consumers will read disclosures more thoroughly.
- 15% more consumers will compare loan rates and cut credit card balances below 50% as a result of the YMC AFL programs.
- 12% more consumers know what escrow accounts are used for.
- 11% more will establish relationships with a bank as a result of participating in the YMC AFL programs.

## Implications and Recommendations

- The general profile of consumers participating in the YMC AFL programs were those who had households with earnings less than \$22,000; had a high school education or some college, and were in the 26-50 age range.
- Use zip code regions to provide literature and more consumer education on the housing related loans and services consumers expressed an interest in (page 22).
- Support nonprofits and self-help programs that provide credit restoration within zip code regions served (see page 24 related to high interest loans and credit card balances).
- Provide opportunities for advanced financial education trainings to participants based on interest areas and referrals wanted. Have those who want financial planning; savings and investing; business development, and home buying speak with an HSBC representative at local banks.
- Encourage HSBC to link and market consumer education and products to consumers by zip code regions.



# YourMoneyCounts™

ADULT FINANCIAL LITERACY PROGRAM